

SITE PERMIT
FOR CONSTRUCTION OF A
LARGE ELECTRIC POWER GENERATING PLANT
IN
GOODHUE COUNTY, MINNESOTA
ISSUED TO
INVENERGY CANNON FALLS, LLC.
MEQB DOCKET NO. 04-85-PPS-CANNON FALLS EC

In accordance with the requirements of Minnesota Statutes section 116C.57 and Minnesota Rules chapter 4400, this Site Permit is hereby issued to:

INVENERGY CANNON FALLS, LLC

Invenergy Cannon Falls, LLC is authorized by this permit to construct a new 357-megawatt, peaking, natural gas-fired large electric power generating plant and associated facilities on a site in the city limits of Cannon Falls, Minnesota, identified in this Permit and in compliance with the conditions specified in this Permit.

STATE OF MINNESOTA
ENVIRONMENTAL QUALITY BOARD



Robert A. Schroeder
Chair

Issued: February 22, 2005

I. SITE PERMIT

The Minnesota Environmental Quality Board hereby issues this Site Permit to Invenergy Cannon Falls, LLC (Invenergy), pursuant to Minnesota Statutes section 116C.57 and Minnesota Rules chapter 4400 to construct a 357-megawatt, natural gas-fired, peaking power plant and associated facilities on a site in Goodhue County, Minnesota, within the city limits of the City of Cannon Falls, more specifically designated in this Permit.

II. PROJECT DESCRIPTION

Invenergy is proposing to develop, construct, and operate a natural gas-fired simple cycle power plant to be called the Cannon Falls Energy Center (CFEC). The facility, which is scheduled to begin operation on or before May 2006, will be capable of generating approximately 357 megawatts (MW) of electricity. The two combustion turbines will be used to generate electricity during periods of peak demand, and Invenergy expects that the turbines will be used no more than 7,359 unit hours per year as referenced in draft MPCA air permit #0490088-001.

III. DESIGNATED SITE

The site approved by the EQB in this Permit is a 55 acre site in the northwest quarter of the northeast quarter of Section 6, Township 112 north, Range 17 west, in the Cannon Falls Business Park North. The proposed property boundaries are located 600 feet west of Cannon Industrial Boulevard, 850 feet north of Holiday Avenue, and approximately 300 feet northwest of County Highway 29. The site shares its western boundary with the boundary separating Goodhue County and Dakato County. The site is more specifically described in the permit application and in the Environmental Assessment and is shown in the attached map.

IV. PERMIT CONDITIONS

The following conditions shall apply to the construction of the facility on the designated site.

- A. Site Plan.** At least ten days prior to commencing construction, the Permittee shall submit to the EQB a site plan showing the location and placement of the various structures to be constructed, including all electrical equipment, pollution control equipment, roads, and other associated facilities. The Permittee shall have the right to move or relocate any of these structures after construction commences, but the Permittee shall file an amended site plan with the EQB prior to implementation.

B. Construction Practices

1. **Application.** The Permittee shall follow those specific construction practices and material specifications described in the Application, unless this Permit establishes a different requirement in which case this Permit shall prevail.
2. **Field Representative.** At least ten days prior to commencing construction, the Permittee shall advise the EQB in writing of the person or persons designated to be the field representative for the Permittee with the responsibility to oversee compliance with the conditions of this Permit during construction. This person's address, phone number, and emergency phone number shall be provided to the EQB, who may make the information available to local residents and public officials and other interested persons. The Permittee may change its field representative at any time upon written notice to the EQB.
3. **Roads.** At least ten days prior to commencing construction, the Permittee shall advise the EQB and other appropriate governing bodies having jurisdiction over roads, of all state, county, and township roads that will be used during construction of the project. Where practical, existing roadways shall be used for all activities associated with construction of the facility. Where practical, all-weather roads shall be used to deliver heavy components to and from the site. The Permittee shall, prior to the use of such roads, make satisfactory arrangements with the appropriate state, county, and township governmental bodies having jurisdiction over the roads to be used for construction, for repair and maintenance of those roads that will be subject to extra wear and tear due to transportation of equipment and materials. The Permittee shall notify the EQB of such arrangements upon request of the EQB.

B. Completion of Construction.

1. **Plans and Specifications.** Within sixty days after completion of construction of the facility, the Permittee shall submit to the EQB the "as built" plans and specifications.
2. **GPS Data.** Within sixty days of completion of construction, the Permittee shall submit to the EQB, in the format requested by the EQB, geo-spatial information (GIS compatible maps, GPS coordinates, etc.) for the power plant and associated facilities.

C. Other Requirements. The Permittee shall comply with all applicable state rules and statutes. The Permittee shall obtain all required permits for the project and comply with the conditions of these permits. A list of the

anticipated permits and associated environmental approvals required for the project are listed on Table 18 of the Environmental Assessment.

D. Delay in Construction. If the Permittee has not commenced construction within four years from the date of issuance of this Permit, the EQB shall consider suspension of the Permit in accordance with Minn. Rules part 4400.3750.

E. Special Conditions.

1. **Lighting.** The Permittee shall provide exterior lighting for the facility for security and safety throughout the generating facility. Illumination levels will be in accordance with the Illuminating Engineering Society (IES) Handbook and code requirements. To reduce the visibility of the facility, the Permittee shall employ task lighting instead of flood or area lighting. The Permittee shall shield all outdoor lights and direct the lighting toward the ground as much as practical.
2. **Mitigation of Visual Impacts.** The Permittee shall provide mitigative measures to reduce the visual impact of the facility. These measures may include a generation building around the combustion turbine generators to provide an appearance more closely resembling a manufacturing facility and/or landscaping measures (i.e., berms and vegetation). The exact mitigative measures employed will be determined by Invenergy through consultation with the City of Cannon Falls, and Invenergy will provide the EQB with copies of the final plans and specifications for the mitigative measures.

V. PERMIT AMENDMENT.

This permit may be amended at any time by the Environmental Quality Board. Any person may request an amendment of this permit by submitting a request to the Chair in writing describing the amendment sought and the reasons for the amendment. The Chair will mail notice of receipt of the request to the Permittee. The EQB may amend the permit after affording the Permittee and interested persons such process as is required.

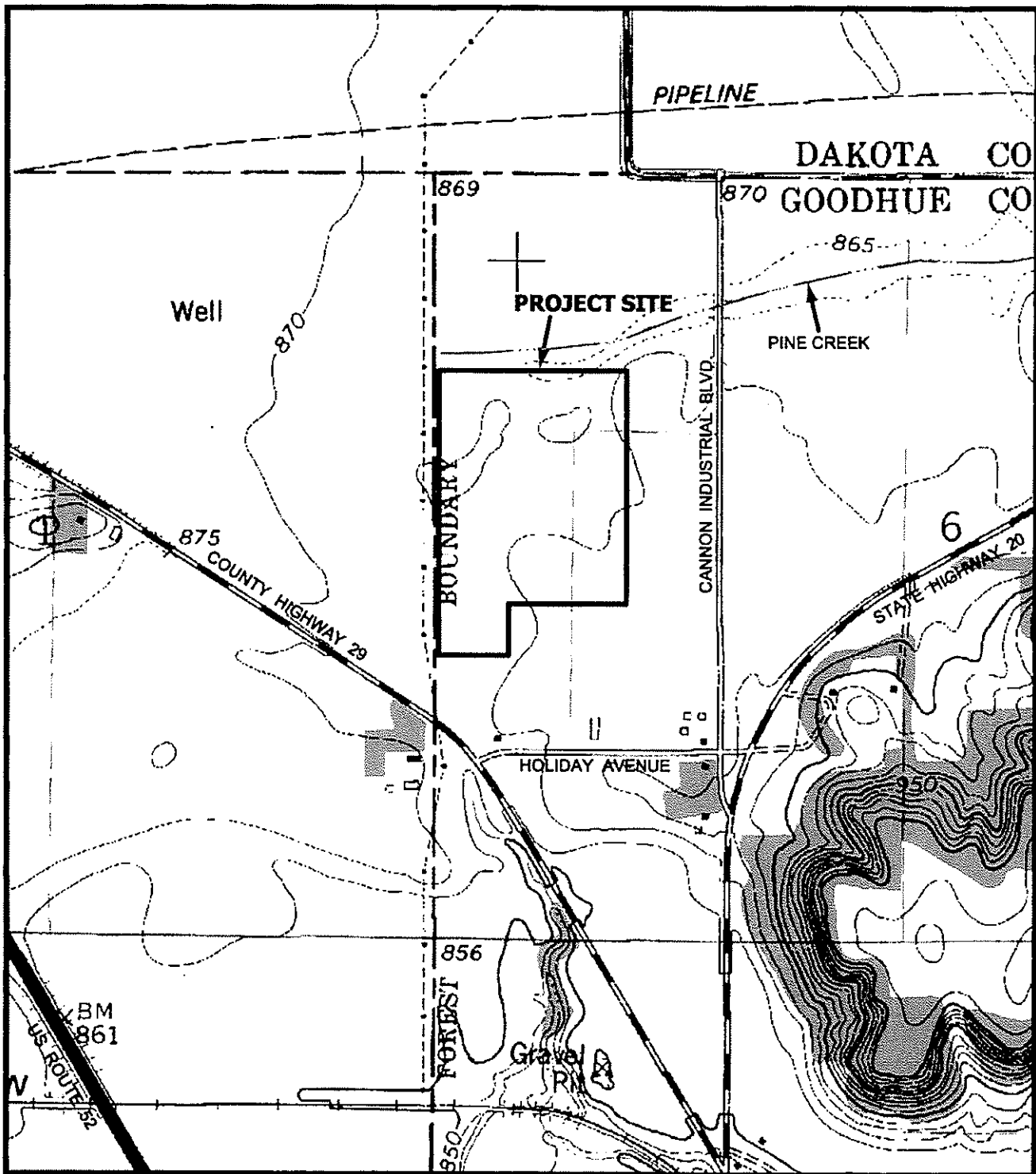
VI. TRANSFER OF PERMIT

The Permittee may request at any time that the Environmental Quality Board transfer this permit to another person or entity. The Permittee shall provide the name and description of the person or entity to whom the permit is requested to be transferred, the reasons for the transfer, a description of the facilities affected, and the proposed effective date of the transfer. The person to whom the permit is to be transferred shall

provide the EQB with such information as the EQB shall require to determine whether the new permittee can comply with the conditions of the permit. The EQB may authorize transfer of the permit after affording the Permittee, the new permittee, and interested persons such process as is required.

VII. REVOCATION OR SUSPENSION OF THE PERMIT

The Environmental Quality Board may initiate action to revoke or suspend this permit at any time. The EQB shall act in accordance with the requirements of Minnesota Rules part 4400.3950 to revoke or suspend the permit.



NORTH

MAP REFERENCE:

PORTION OF U.S.G.S. QUADRANGLE MAP
7 1/2 MINUTE SERIES (TOPOGRAPHIC)
CANNON FALLS, MINNESOTA 1974

500 0 500 1000
SCALE IN FEET

**CANNON FALLS ENERGY CENTER
CANNON FALLS, MINNESOTA**

**FIGURE 1
PROJECT SITE MAP**

DATE:
JUNE 10, 2004

JOB NO.:
25385157

DRAWN BY: CHK'D BY:
MAR EM

SCALE:
AS SHOWN

URS

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